



Supplementary Explanatory Materials for FY2/2026 Interim Financial Results

DD Group Co., Ltd. | October 15, 2025
(Securities code, the TSE Prime Market:3073)

Group Guidelines and Group Companies

Management Philosophy	Delivering on customer delight
Group Action Guidelines	Delivering highly stylish and attractive offerings to bring passionate delight to all stakeholders, with a focus on the following keywords: OPEN (= pioneering), community (= connecting), Revolution (= polishing), and Innovation (= developing)
Group Vision	Producing creative and innovative brands as a company with strong brand presence
Action Guidelines	Being Dynamic and Dramatic
Theme for the Medium term Management Plan	Going far beyond the starting point

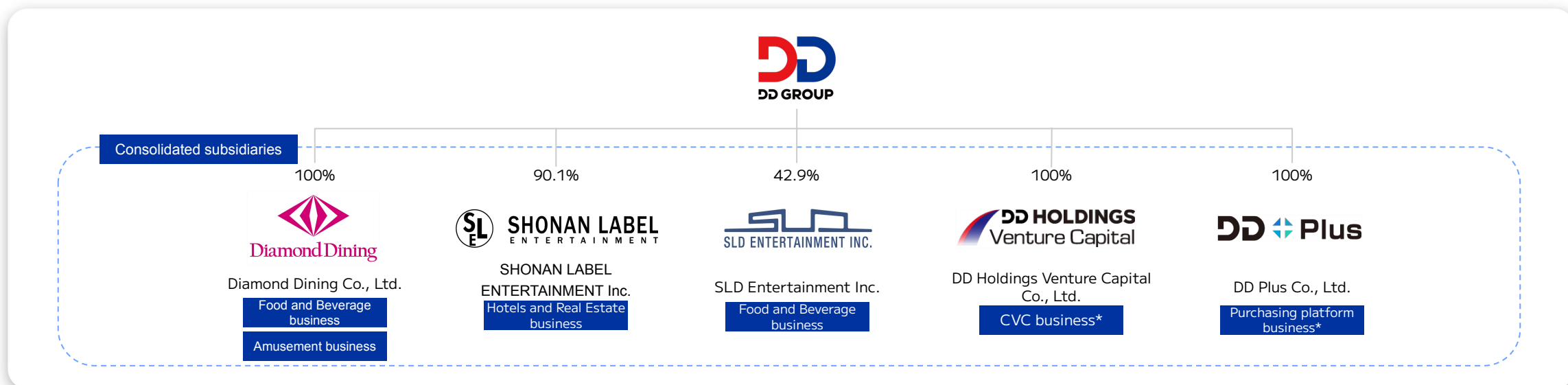


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FY2/2026 Consolidated Financial Results of the Interim Period

- Achieved net sales at 104.2% YoY, despite some negative impact from unfavorable weather.
- Ordinary profit decreased to 99.8%, due to a reduction in construction subsidies for new shops openings and an increase in interest expenses on borrowings.

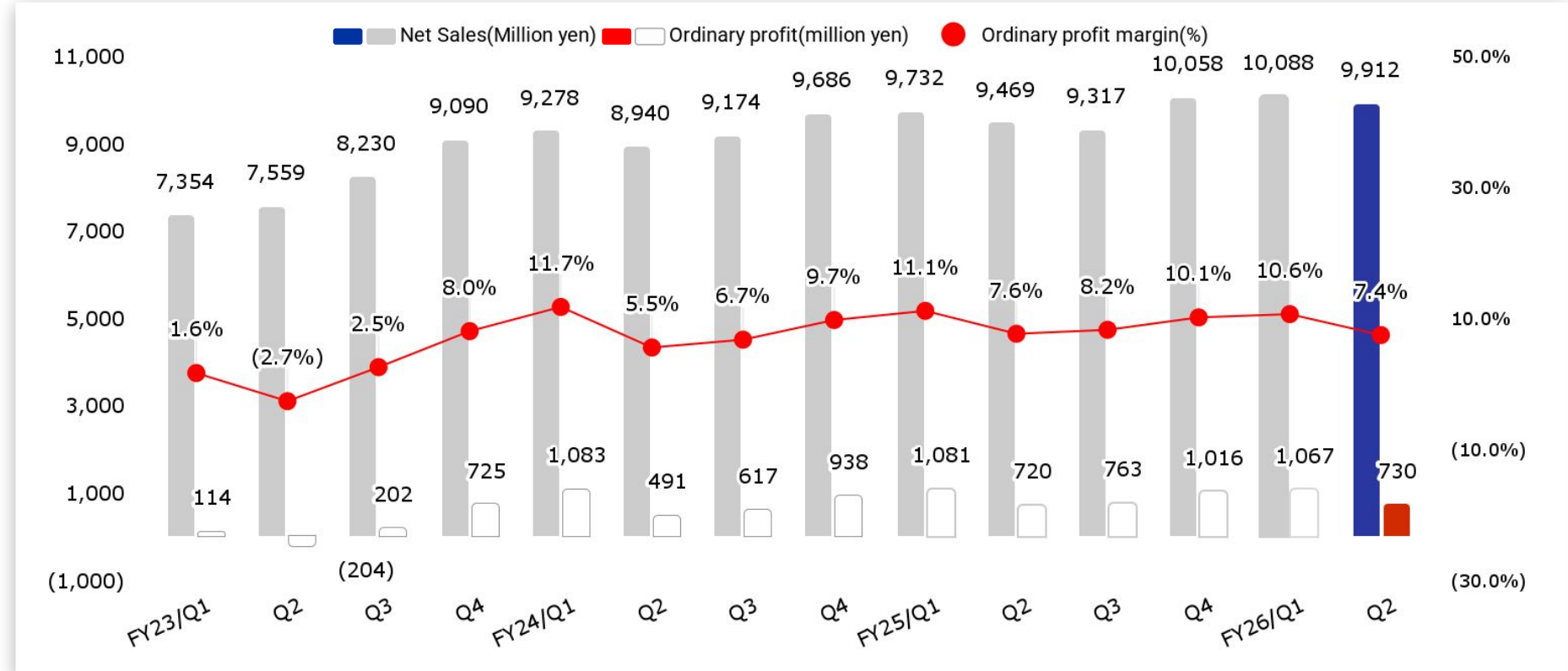
FY2/2026 H1
Consolidated Net sales
20,001 million yen

104.2 % YoY

FY2/2026 H1
Consolidated
Ordinary profit
1,798million yen

Ordinary profit margin
9.0 %

99.8% YoY



FY2/2026 Consolidated Financial Results Summary of the Interim Period (YoY Comparison)

- While the Amusement segment saw a slight decrease in Net sales, the Food & Beverage and Hotel and Real Estate segments concluded the period with better results compared to the previous period.

(Unit:Millions of yen)		FY2/2025 H1	FY2/2026 H1	YoY Change (Amount)	YoY
Consolidated financial results	Net sales	19,202	20,000	798	104.2%
	Operating profit	1,787	1,861	74	104.2%
	Ordinary profit	1,802	1,798	(4)	99.8%
	Profit attributable to owners of parent	1,204	1,123	(80)	93.3%
By segment	Net sales from Food and Beverage	14,102	15,073	971	106.9%
	Net sales from Amusement	3,984	3,806	(178)	95.5%
	Net sales from Hotels and Real Estate	1,115	1,120	5	100.5%

Summary of Key Metrics for FY2/2026 Interim Financial Results (Ratio to Net Sales)

		FY2/2025 H1	FY2/2026 H1	YoY change	
Cumulative financial results	Cost of sales ratio	21.6%	21.5%	(0.1%)	Suppression of rising costs through continuous joint procurement initiatives with DD Plus Co., Ltd.
	SG&A ratio	69.1%	69.2%	0.1%	While net sales increased in the 2nd quarter, both labor costs and outsourcing fees (commission payments) increased
	Operating profit margin	9.3%	9.3%	0.0%	
	Operating profit margin before amortization of goodwill	9.8%	9.8%	0.0%	
	Ordinary profit margin	9.4%	9.0%	(0.4%)	Reduction in construction subsidies and increase in interest expenses
	EBITDA*	2,230 million yen	2,402 million yen	172 million yen	Increase in depreciation expense due to new shop openings and a change in the estimated asset retirement obligation

Consolidated Balance Sheet

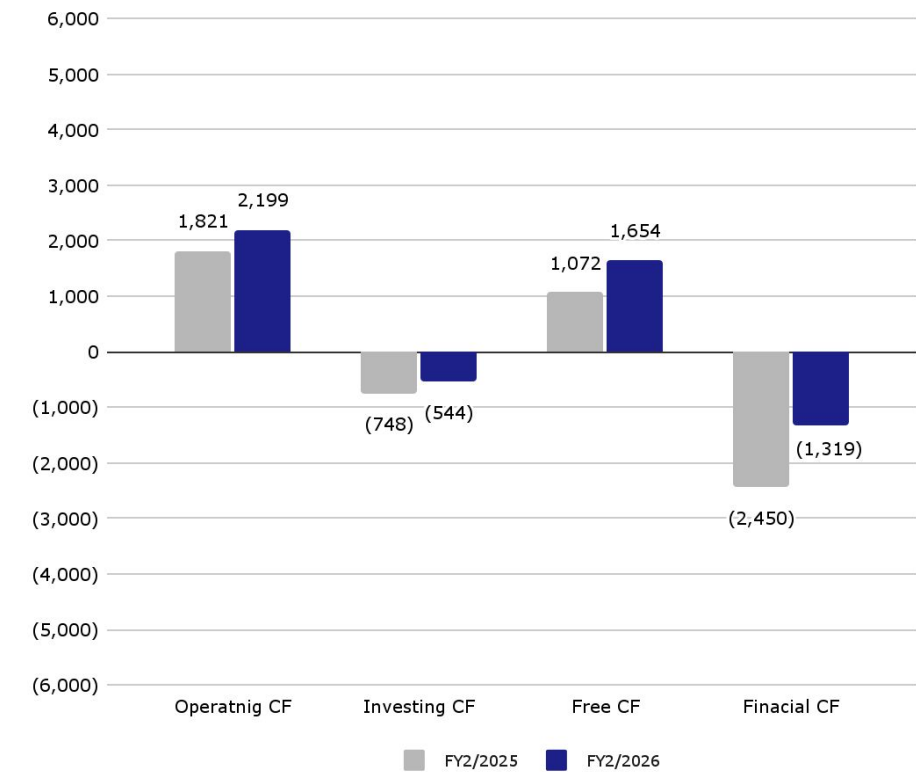
- Total assets increased by 870 million yen, due to increases in cash and deposits, accounts receivable, deposits paid, real estate for sale, and similar items.
- The balance of liabilities decreased by 209 million yen due to the reduction of long-term borrowings, while the balance of net assets increased by 1,080 million yen due to the increase in retained earnings.

(Unit:Millions of yen)	FY2/2025	FY2/2026 H1	YoY change (amount)		FY2/2025	FY2/2026 H1	YoY change (amount)	
Current assets	11,311	12,099	788		Interest-bearing liabilities	16,601	15,983	(618)
Cash and deposits	7,382	7,548	166		Other liabilities	5,961	6,369	408
Other current assets	3,928	4,550	621		Total liabilities	22,562	22,353	(209)
Non-current assets	19,996	20,079	82		Shareholders' equity	7,935	8,979	1,043
Property, plant and equipment	10,096	10,163	67		Retained earnings	3,280	4,324	1,043
Intangible assets	2,439	2,344	(94)		Accumulated other comprehensive income	156	189	32
Goodwill	2,401	2,310	(90)		Share acquisition rights	1	0	(1)
Investments and other assets	7,460	7,571	110		Non-controlling interests	651	656	4
Deferred assets	0	0	0		Total net assets	8,744	9,825	1,080
Total assets	31,307	32,178	870		Total liabilities and net assets	31,307	32,178	870

Consolidated Statement of Cash Flows

(Unit:Millions of yen)	FY2/2025 H1	FY2/2026 H1	YoY
Cashflows from operating activities	1,821	2,199	377
Cash flows from investing activities	(748)	(544)	203
Free cash flow	1,072	1,654	581
Cash flows from financing activities	(2,450)	(1,319)	1,130
Effect of exchange rate change on cash and cash equivalents	0	0	0
Net increase (decrease) in cash and cash equivalents	(1,378)	334	1,712
Cash and cash equivalents at end of period	9,222	8,013	(1,208)

(Unit:Millions of yen)



Status of Shop Openings by the Group

FY2/2026 Shop Openings by the Group

Four New Food & Beverage Shop Opened; Two IP Content Shops Under Management Contracts

		Openings	Closure	Change in scope of consolidation	Number of directly operated shops	Brand Conversions
Number of shops operated under the Group (Food and Beverage, and Amusement)						
Food and Beverage	265 shops					
Amusement	45 shops					
Total number of directly operated shops	310 shops					
Shops operated under license + Shops entrusted with operation	14 shops					
Total number of shops	324 shops					
Number of hotels operated under the Group						
Hotels	5 hotels					
FY2/2024	Q1	1	5	0	332	2
	Q2	2	7	0	327	1
	Q3	2	4	0	325	0
	Q4	1	3	0	323	0
FY2/2025	Q1	2	11	0	314	0
	Q2	1	1	0	314	0
	Q3	1	0	0	315	1
	Q4	0	5	0	310	0
FY2/2026	Q1	1	2	0	309	1
	Q2	3	2	0	310	1
	Q3	-	-	-	-	-
	Q4	-	-	-	-	-

Results by Segment:Key Indicators in the Food and Beverage Business and Amusement Business

		FY2/24 Q1	FY2/24 Q2	FY2/24 Q3	FY2/24 Q4	FY2/25 Q1	FY2/25 Q2	FY2/25 Q3	FY2/25 Q4	FY2/26 Q1	FY2/26 Q2
Food and Beverage	Cost of sales ratio	23.7%	24.3%	24.5%	24.6%	25.1%	24.5%	23.4%	25.0%	25.4%	25.7%
	Labor cost ratio	31.3%	32.6%	32.7%	30.8%	30.8%	32.4%	32.9%	31.3%	31.8%	32.4%
	Rent-to-sales ratio	14.4%	14.8%	14.7%	13.1%	13.2%	13.8%	13.7%	12.6%	12.7%	13.0%
	Utilities cost ratio	3.7%	4.4%	3.8%	3.3%	3.2%	4.4%	3.8%	3.4%	3.1%	4.0%
	Operating profit margin	11.5%	7.5%	7.8%	12.7%	13.0%	9.8%	10.5%	13.3%	11.9%	9.4%
Amusement	Cost of sales ratio	10.9%	11.6%	11.9%	11.9%	11.3%	11.6%	11.2%	11.1%	9.6%	9.9%
	Labor cost ratio	20.4%	21.0%	22.2%	21.3%	20.9%	20.7%	21.0%	20.1%	19.5%	20.0%
	Rent-to-sales ratio	28.0%	27.7%	29.3%	26.6%	26.3%	26.4%	26.8%	25.2%	26.0%	27.1%
	Utilities cost ratio	3.3%	4.0%	4.1%	3.0%	3.2%	3.9%	4.4%	3.3%	3.2%	3.9%
	Operating profit margin	22.2%	20.0%	16.1%	20.6%	20.6%	20.6%	17.9%	24.1%	24.1%	21.2%

Results by Segment:Key Indicators in the Hotels and Real Estate Business

		FY2/24 Q1	FY2/24 Q2	FY2/24 Q3	FY2/24 Q4	FY2/25 Q1	FY2/25 Q2	FY2/25 Q3	FY2/25 Q4	FY2/26 Q1	FY2/26 Q2
Hotels and Real Estate	Cost of sales ratio	4.4%	16.7%	35.4%	27.5%	11.3%	21.5%	7.8%	7.5%	7.2%	7.6%
	Labor cost ratio	16.7%	23.5%	13.5%	26.6%	24.2%	18.6%	23.1%	25.5%	21.9%	21.8%
	Rent-to-sales ratio	3.0%	4.1%	2.5%	5.0%	4.4%	3.4%	4.1%	4.6%	3.7%	3.7%
	Utilities cost ratio	3.4%	4.1%	2.7%	4.8%	4.7%	4.3%	5.6%	6.1%	5.1%	5.4%
	Operating profit margin	33.9%	8.4%	18.3%	-15.7%	0.1%	14.0%	11.5%	5.6%	17.8%	18.7%

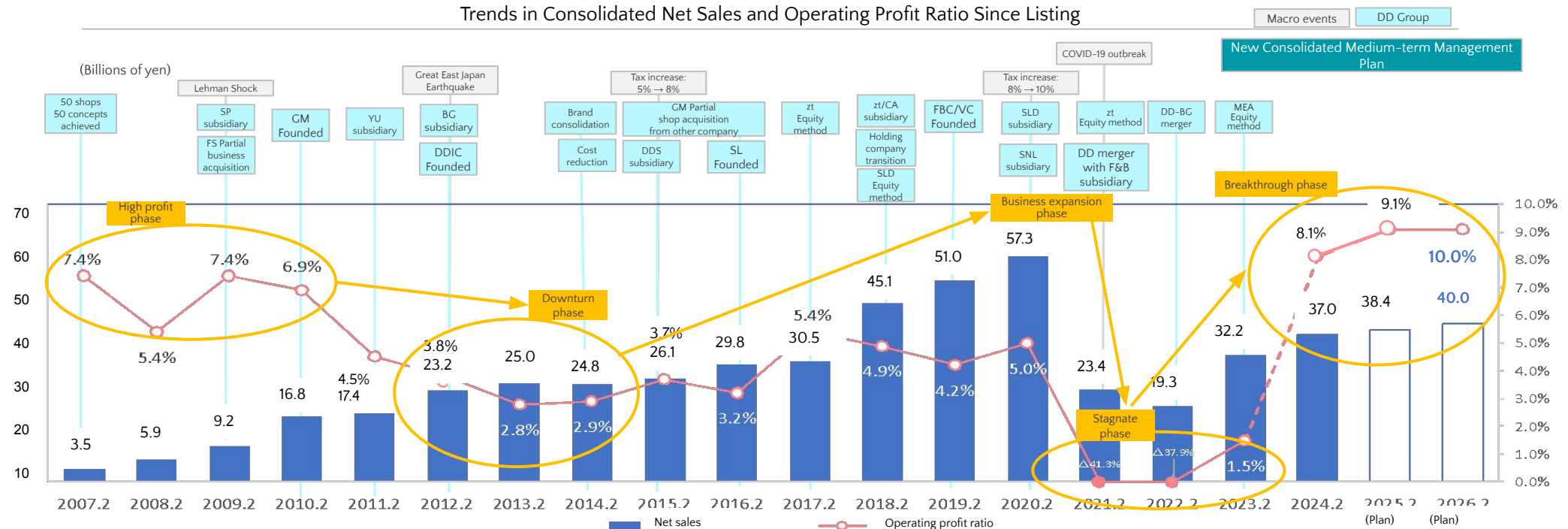
APPENDIX



- The following are the specific themes and priority measures to enhance overall Group management capabilities.
- To maximize LTV, the plan focuses on expanding brand (business concept), channel (area), and lifestyle (stage).

1 Core business enhancement	<ul style="list-style-type: none">● Secure store locations through group collaboration.● Strengthen brand creation by leveraging group management capabilities.● Maximize LTV (LIFE TIME VALUE).● Reinforce brand portfolio to support dominant market presence.
2 Market channel expansion	<ul style="list-style-type: none">● Develop new sales channels, including shopping centers and food courts, to expand geographic reach.● Strengthen partnerships with local governments to promote regional revitalization.● Create brands aligned with emerging channel needs.● Expand into new channels through the EC business.
3 Business domain expansion	<ul style="list-style-type: none">● Expand into new business areas through M&A.● Enhance product offerings in the hotel and real estate segments.● Strengthen IP content business through group collaboration.
4 Strengthen financial foundation	<ul style="list-style-type: none">● Target ROE of 20% or higher and reduce interest-bearing debt ratio to 50%.● Achieve operating profit of 2.8 billion yen or more (FY2/2026).

APPENDIX: Group Performance Trends and Plan Through FY2/2026



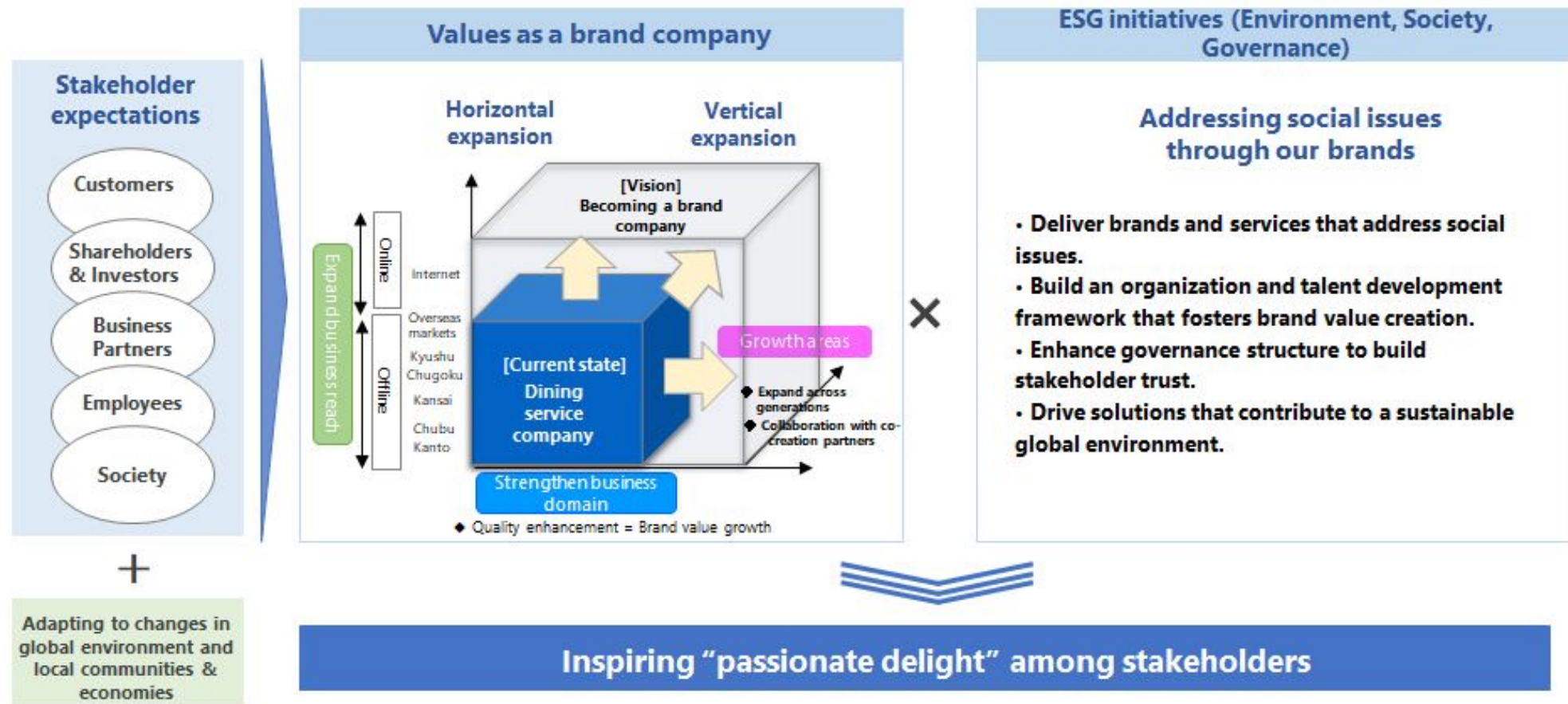
History

FY2/2009: Sun Pool Co., Ltd. (SP) made a subsidiary
 Partial business acquisition from Foodscape Co., Ltd. (FS)
 FY2/2010: Golden Magic Co., Ltd. (GM) established
 FY2/2011: Yoshida Usaburo Shoten K.K. (YU) made a subsidiary
 FY2/2012: BAGUS Co., Ltd. (BG) made a subsidiary
 Diamond Dining International Corporation (DDIC) established
 FY2/2015: Diamond Dining Singapore Pte. Ltd. (DDS) made a subsidiary
 FY2/2016: The Sailing Co., Ltd. (SL) established

FY2/2018: zetton Inc. (ZT) and Shogyo Geijutsu Co., Ltd. (CA) made subsidiaries
 FY2/2019: Food Business Casting Co., Ltd. (FBC) established
 DD Holdings Venture Capital Co., Ltd. (VC) established
 FY2/2020: SLD Entertainment Inc. and SHONAN LABEL ENTERTAINMENT Inc. (SNL) made subsidiaries
 FY2/2021: Diamond Dining Co., Ltd. absorbed four companies (SP, GM, CA, SL) as the surviving entity
 FY2/2022: All shares of DDIC transferred, marking withdrawal from overseas business.
 BAGUS Co., Ltd. absorbed by Diamond Dining Co., Ltd. as the surviving entity
 FY2/2023: MEA co.,LTD (formerly FBC) accounted for using the equity method

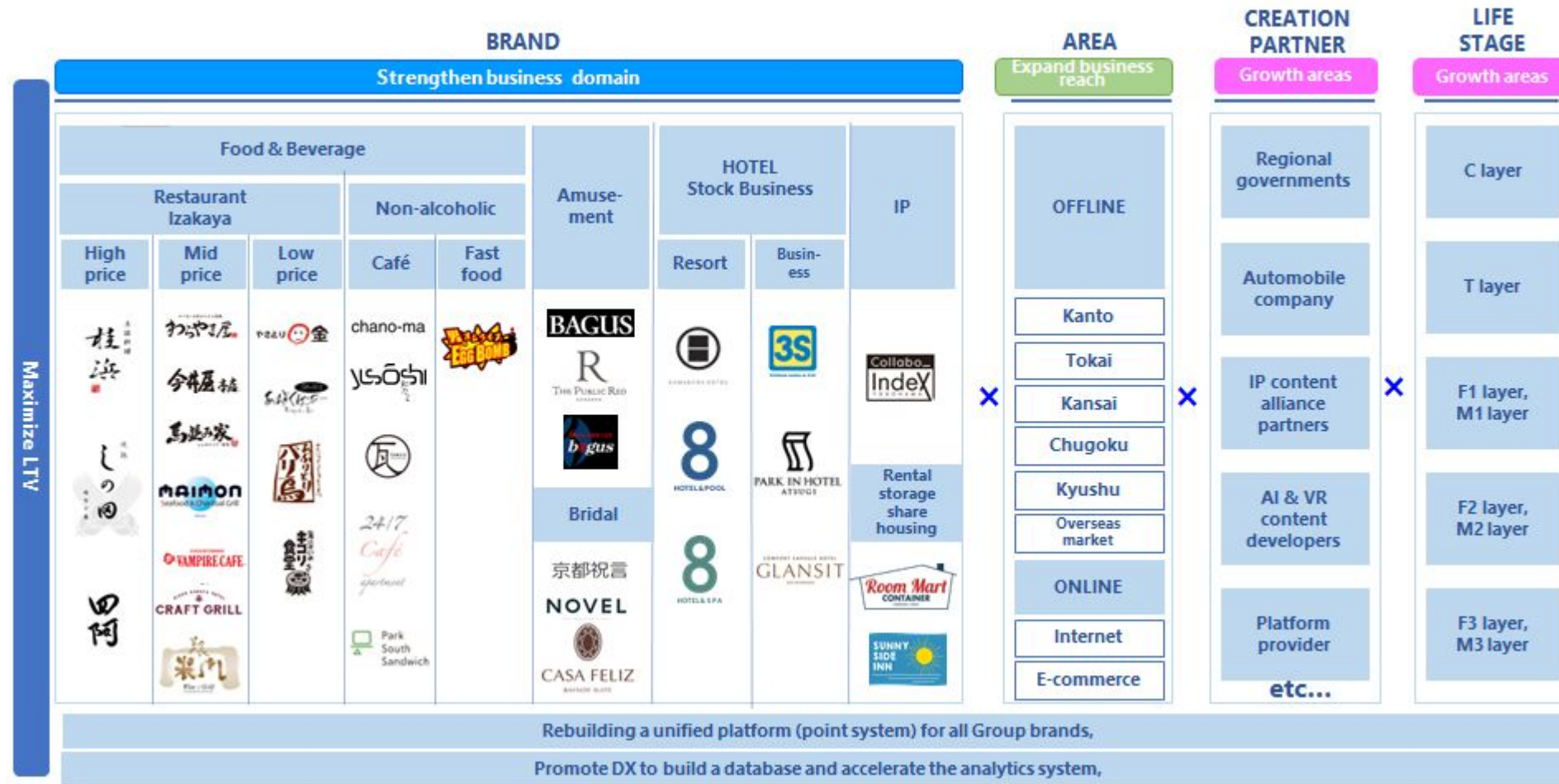
APPENDIX: New Consolidated Medium-term Management Plan - Value Creation Initiatives

- Creating value as a brand company by maximizing LTV (LIFE TIME VALUE) and promoting ESG initiatives to address social challenges—enhancing corporate value and delivering moments of passionate delight.



APPENDIX: New Consolidated Medium-term Management Plan - LTV Growth Strategy Map

- Pursuing geometric LTV growth driven by creative and innovative brand value.



APPENDIX: New Consolidated Medium-term Management Plan - Revised Financial Targets

- In parallel with advancing the Group Vision, the plan seeks to achieve both social and economic value through ESG initiatives.

		(Millions of yen)			
		FY2/2026 initial plan (Announced April 21, 2023)	FY2/2026 revised plan (Announced April 19, 2024)	Change	FY2/24 Actual
Financial targets (Economic value)	Net sales	40,000	40,000	—	37,079
	Operating profit	2,800	4,000	1,200 (+42.9%)	3,243
	Operating profit ratio	7%	10%	+3 pts	8.8%
	Ordinary profit	2,700	3,900	1,200 (+44.5%)	3,131
	ROE	20%	20%	—	46.6%

Note: Non-financial targets remain unchanged.

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Contact

Group's Corporate Management Division

TEL:03-6858-6082

FAX:03-6858-6083

E-mail:ddg_ir@dd-grp.com



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